



**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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Commissioners

Cordé D. Carrillo
Acting Executive Director

March 10, 2009

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**ADOPT RESOLUTION APPROVING ISSUANCE OF MULTIFAMILY HOUSING
MORTGAGE REVENUE BONDS FOR SEASONS AT COMPTON, A MULTIFAMILY
SENIOR HOUSING DEVELOPMENT LOCATED IN UNINCORPORATED EAST
RANCHO DOMINGUEZ AND IN THE CITY OF COMPTON (DISTRICT 2)(3 VOTE)**

SUBJECT

This letter recommends that your Board approve the issuance of Multifamily Housing Mortgage Revenue Bonds to finance the site acquisition and construction of Seasons at Compton, an 84-unit multifamily senior project to be located at 15810 Frailey Avenue, which is partially located in unincorporated East Rancho Dominguez and partially in the City of Compton.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that adoption of a Resolution approving issuance of Multifamily Housing Mortgage Revenue Bonds is not subject to the California Environmental Quality Act because the proposed activity will not have the potential for causing a significant effect on the environment.
2. Adopt and instruct the Chairman to sign the attached Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, approving the issuance of Multifamily Housing Mortgage Revenue Bonds by the Housing Authority of the County of Los Angeles in an amount not exceeding \$14,500,000 to Compton Senior Housing, L.P. to finance the site acquisition and construction of Seasons at Compton, an 84-unit multifamily senior rental housing development to be located at 15810



Frailey Avenue, which is partially located in unincorporated East Rancho Dominguez and partially in the City of Compton.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to approve the issuance of Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$14,500,000, in order to finance the site acquisition and construction of 84 units, including one manager's unit that will have no affordability requirements.

FISCAL IMPACT/FINANCING:

No County costs will be incurred. Compton Senior Housing, L.P. (Developer) will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Seasons at Compton (Project) is partially located in unincorporated East Rancho Dominguez and partially in the City of Compton. It consists of 68 one-bedroom units and 16 two-bedroom units for a total of 84 units. Thirty-two units will be set aside for developmentally disabled seniors. Thirty of the units will be reserved for households with incomes that do not exceed 35% of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD). Twenty-nine of the units will be reserved for households with incomes that do not exceed 45% of AMI, and the remaining 24 units will be reserved for households with incomes that do not exceed 50% of AMI. The affordability requirements will remain in effect for 55 years. The manager's unit will have no affordability requirements.

On February 17, 2009, the Housing Authority conducted a hearing at its office located at 2 Coral Circle in Monterey Park regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

On February 24, 2009, the Board of Commissioners of the Compton Local Housing Authority adopted a resolution authorizing the Housing Authority of the County of Los Angeles to issue multifamily revenue bonds for the Project.

Adoption of the Resolution by the Board of Supervisors approving issuance of the bonds is required prior to submission of the Housing Authority's application to the

California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation. This action does not, however, authorize the issuance and sale of the bonds. The Housing Authority will return to the Board of Commissioners for this authorization at a later date.

The attached Resolution was prepared by Orrick, Herrington and Sutcliffe, Housing Authority Bond Counsel, and approved as to form by County Counsel. On February 25, 2009, the Housing Commission recommended approval of the proposed action. This letter relates to another item being considered by the Board of Commissioners of the Housing Authority.

ENVIRONMENTAL DOCUMENTATION:

This action is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. This action is also not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

An Environmental Assessment was prepared for the Project pursuant to the requirements of the National Environmental Policy Act of 1969 (NEPA). Based on the conclusions and findings of the Environmental Assessment, a Finding of No Significant Impact was approved by the Community Development Commission of the County of Los Angeles on September 27, 2004. Following the required public and agency comment period, HUD issued a Release of Funds for the project on November 25, 2004.

The Board of Supervisors, as lead agency, approved the Environmental Assessment/Mitigated Negative Declaration (EA/MND), prepared pursuant to the requirements of CEQA, for this Project on November 9, 2004. The Board of Commissioners of the Housing Authority, as responsible agency, approved the EA/MND on February 15, 2005. These previous Board actions satisfy CEQA requirements for this Project.

Honorable Board of Supervisors
March 10, 2009
Page 4

IMPACT ON CURRENT PROJECT:

The proposed action is a necessary step to provide bond financing for the Project, which will retain the supply of affordable multifamily housing in the County of Los Angeles with long-term affordability.

Respectfully submitted,

for Bobbette A. Glover
CORDÉ D. CARRILLO
Acting Executive Director

Attachments: 1

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING
REVENUE BONDS AND RELATED ACTIONS

WHEREAS, the Housing Authority of the County of Los Angeles (the "Authority") intends to adopt a plan of financing to sell and issue multifamily housing revenue bonds in one or more series issued from time to time, and at no time to exceed \$14,500,000 in outstanding aggregate principal amount (the "Bonds"), in order to assist in financing the acquisition and construction of a multifamily rental housing development consisting of 84 units located at 15810 Frailey Avenue in unincorporated Los Angeles County and in the City of Compton (the "Project"), to be owned by Compton Senior Housing, LP, a California limited partnership (or an affiliate or assign); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the Bonds are required to be approved prior to their issuance by the applicable elected representative of the governmental unit on whose behalf the bonds are expected to be issued and by each governmental unit having jurisdiction over the area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the interest on the Bonds may qualify for exclusion from gross income under Section 103 of the Internal Revenue Code of 1986 (the "Code"), only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, the Project is located wholly within the County of Los Angeles, California; and

WHEREAS, this Board of Supervisors is the elected legislative body of the County and is the applicable elected representative of the Authority within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the Housing Authority of the County of Los Angeles has, following notice duly given, held a public hearing regarding the issuance of such Bonds on February 17, 2009, and now desires that the Board of Supervisors approve the issuance of such Bonds; and

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by law;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.
2. This Board of Supervisors hereby approves the issuance of the Bonds by the Authority to finance costs of the Project. It is the purpose and intent of this Board of Supervisors that this Resolution constitute approval of the Bonds by the applicable elected representative of the issuer of the Bonds and the applicable elected representative of the

governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

3. The proper officers of the Authority are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the bonds are to be issued and sold shall be approved by the Board of Commissioners of the Authority in the manner provided by law prior to the sale thereof.

4. The Executive Officer-Clerk of the Board of Supervisors or a deputy thereof is directed to certify and deliver a copy of this Resolution to the Authority.

5. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Supervisors of the County of Los Angeles, State of California, this 10th day of March, 2009, by the following vote:

AYES: GLORIA MOLINA, MARK RIDLEY-THOMAS, ZEV YAROSLAVSKY, DON KNABE and
MIKE ANTONOVICH

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

By 
Chairman of the Board of Supervisors

ATTEST:

Sachi A. Hamai
Executive Officer-Clerk
of the Board of Supervisors



By: 
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: 
Deputy